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1 May 1962

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Review of 501 Computer Facility

1. Last October, at your request, we arranged for a survey of the RCA 501 installation in the Comptroller's Office. The objective was to evaluate the status of the facility after one year of operation. To aid in this analysis, we employed professional assistance from the firm of Daniel, Mann, Johnson and Mendenhall; they conducted the study under my supervision and submitted a final report several days ago.

2. The substance of their findings was conveyed to you orally at the briefing given on February 26. Essentially, it can be summarized as follows:

- a. The savings in personnel and money anticipated when the computer was ordered have not been, and probably will not be, realized. The 501 is now saturated with work and the budget of the ADP Division has been rising steadily.
- b. Some users are dissatisfied with services because (1) they have not been properly educated in EDP and therefore have little understanding of the consequences of their requests, (2) they are experiencing delays in getting information from the computer, (3) they expected the computer to do more for them, and (4) they are not content with the quality of output printing.
- c. The computer facility operates as a job-shop service, and its Chief neither possesses the authority to reject unsound requests nor the responsibility for attacking system revisions at the user level in order to smooth out computer-user interactions.
- d. One-to-one conversion from punched cards to computer was perhaps unwise since the faults and limitations inherent in the punched card system were incorporated into the computer system. We might have been further along had we planned to achieve an optimized user-computer system to begin with instead of modifying our existing procedures.
- e. RCA equipment, peripheral to the 501, has not been performing satisfactorily and should be replaced. (Remedial action was taken on 9 April 1962.)

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f. Staff personnel in the 501 installation have done a remarkable job of bootstrapping themselves from EAM to EDP. Overtime has been intense but no additional personnel were required during the period of parallel processing, training, and conversion. ADPD computer personnel "know the RCA computer probably as well as most RCA employees."

g. A system analysis and design effort for the DD/S areas now involved with the 501 is indicated.

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3. [REDACTED] and I met to discuss the study, and we also asked our respective staffs to analyze the report's particulars. Group consensus is that the report tends to emphasize weaknesses without giving due credit to accomplishments, and that it contains minor errors of factual detail.

4. On balance, however, Bob and I feel that it provides us with a good measure of where we are, and that it does highlight the need for taking the next system steps. Accordingly, we both agreed that the Comptroller's program for system improvement should proceed as an integrated part of the EDP computer development planned for the DD/S, and prepared the following recommendations for your consideration:

a. That ADPS undertake a Phase II total (domestic and overseas) system review of computer-oriented operations within the Comptroller's Office and Logistics. The aim: to develop an optimized system plan over the next two years.

b. That, for an indefinite period, the Chief, ADPS, be given full technical supervision over the 501 insofar as day-to-day decisions that have to be made regarding equipment (delays, failures, replacement, etc.) but that such technical supervision will be exercised through the immediate Office of the Comptroller. Also, that any proposed major change in introduction of source data automation within user components will be coordinated with the Chief, ADPD.

c. That during the period of the Phase II study the Chief, ADPS will be responsible for reviewing user requests for new end products or major modifications of existing ones.

d. That a position on the ADPS T/O be made available to accommodate [REDACTED] from the Comptroller's Office, thus permitting a financial specialist to participate actively in the Phase II effort.

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e. That the Comptroller detail senior systems analysts from ADPS to ADPS to assist in the evolution of the Phase II effort.

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Chief, CIA Automatic Data Processing Staff

CONCURRENCE:

15/
Comptroller

8 May 62
DATE

APPROVED:

15/
Deputy Director (Support)

14 May 62
DATE

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